



Distillate Watch

March 7, 2001

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Increased distillate demand led to a stock draw last week, despite slightly higher distillate production and import levels. Total distillate inventories decreased to 115.6 million barrels (MMB) on March 2, 2001, 1.0 MMB below the previous week but 10.7 MMB more than a year ago. Distillate stocks are within the average range for this time of year. Heating oil stocks dropped 2.5 MMB to 47.0 MMB, 5.5 MMB higher than last year. East Coast (PADD 1) heating oil inventories fell by 0.9 MMB for the week to 26.1 MMB with dips in New England and the Central Atlantic. Diesel fuel inventory totaled 68.7 MMB, rising by 1.6 MMB from last week and totaling 5.3 MMB more than last year. Total distillate production increased to almost 3.7 million barrels per day (MMBD), 0.1 MMBD more than the previous week. Imports at 0.5 MMBD were 33 thousand barrels a day more than last week. Demand increased 0.1 MMBD to 4.1 MMBD.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	02/09/01	02/16/01	02/23/01	03/02/01	03/03/00	02/09/01	02/16/01	02/23/01	03/02/01	03/03/00
East Coast (PADD I)	520	505	475	505	500	222	337	347	275	262
Midwest (PADD II)	873	907	889	847	870	208	223	231	181	196
Gulf Coast (PADD III)	1,657	1,679	1,664	1,678	1,704	522	524	509	462	504
Rocky Mountain (PADD IV)	135	147	147	141	120	18	30	32	26	13
West Coast (PADD V)	479	477	425	523	383	139	112	83	108	111
U.S. Total	3,664	3,715	3,600	3,694	3,577	1,109	1,226	1,202	1,052	1,086

Distillate Stocks¹ by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	02/09/01	02/16/01	02/23/01	03/02/01	03/02/00	02/09/01	02/16/01	02/23/01	03/02/01	03/02/00
East Coast (PADD I)	45.8	44.2	43.3	41.6	33.7	29.3	28.3	27.0	26.1	21.0
PADD IX	7.8	7.2	6.7	5.8	5.8	6.1	5.5	5.1	4.1	4.0
PADD IY	25.8	25.4	24.1	23.4	17.9	17.9	18.0	17.1	16.2	12.2
PADD IZ	12.2	11.6	12.5	12.4	10.0	5.3	4.8	4.7	5.7	4.7
Midwest (PADD II)	28.6	29.8	28.9	29.6	29.8	8.1	8.4	8.7	8.3	9.2
Gulf Coast (PADD III)	26.4	28.8	30.3	29.4	26.1	9.1	9.3	11.0	9.7	8.3
Rocky Mountain (PADD IV)	3.3	3.4	3.2	3.3	3.3	0.4	0.4	0.4	0.4	0.4
West Coast (PADD V)	12.1	11.5	10.9	11.8	12.0	2.5	2.5	2.5	2.5	2.6
U.S. Total	116.1	117.7	116.6	115.6	104.9	49.3	48.9	49.5	47.0	41.5

¹ Distillate fuel oil stocks held in the Northeast Heating Oil Reserve are not included. For details, see Appendix D in the *Weekly Petroleum Status Report*.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.
Source: Energy Information Administration, *Weekly Petroleum Status Report (WPSR)*.

PRICES

- Distillate spot prices posted net decreases in most markets over the past week, generally following crude oil price movements. Anticipation of next week's OPEC meeting dominated market sentiment, amid mixed signals from OPEC and non-OPEC exporting nations about the need for further output cuts. East Coast distillate prices received additional support from colder weather, including a major winter storm building in the Northeast. The New York Harbor spot price for heating oil rose 0.70 cent for the week to 74.90 cents per gallon, while the Los Angeles CARB diesel fuel spot price fell 2.00 cents to 89.00 cents per gallon.
- The national average retail on-highway diesel fuel price decreased for the fifth straight week, dropping 3.1 cents to 142.0 cents per gallon as of March 5, 2001, 7.0 cents lower than a year ago, and the lowest level since August 2000. The average residential heating oil price as of March 5, 2001, was 144.2 cents per gallon, a 2.0-cent decrease from the February 26 price of 146.2 cents. Compared to last year at this time, the residential price increased 4.8 cents from 139.4 cents per gallon on March 6, 2000.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	02/12/01	02/20/01	02/26/01	03/05/01	03/06/00	02/12/01	02/20/01	02/26/01	03/05/01	03/06/00
New York	81.53	76.38	75.05	75.90	83.07	80.75	74.75	74.20	74.90	86.70
Chicago	84.53	81.00	79.93	78.10	88.58	NA	NA	NA	NA	NA
Houston	79.45	77.25	76.93	74.85	84.50	77.15	72.98	72.18	71.58	80.32
Los Angeles (CARB)	93.50	87.00	91.00	89.00	96.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

Note: Data for 02/19/01 were not available due to the Presidents' Day holiday.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	02/12/01	02/19/01	02/26/01	03/05/01	03/06/00	02/12/01	02/19/01	02/26/01	03/05/01	03/06/00
East Coast (PADD I)	154.4	149.9	146.9	142.6	151.0	151.9	149.8	148.2	146.3	141.7
PADD IX	162.6	160.7	157.0	155.7	160.9	148.3	146.4	145.1	142.6	136.8
PADD IY	161.6	156.9	154.1	150.8	160.1	155.2	152.9	^R 151.2	149.9	146.2
PADD IZ	150.6	145.9	142.8	137.9	146.2	148.4	146.1	144.2	140.9	134.6
Midwest (PADD II)	150.6	146.0	142.8	139.4	148.4	134.5	132.2	130.6	127.8	120.5
Gulf Coast (PADD III)	147.2	142.8	139.2	136.7	143.4	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	152.3	151.7	150.4	149.1	146.5	NA	NA	NA	NA	NA
West Coast (PADD V)	156.6	156.7	155.7	154.8	156.5	NA	NA	NA	NA	NA
California	162.6	162.3	161.2	160.0	159.7	NA	NA	NA	NA	NA
U.S. Average**	151.8	148.0	145.1	142.0	149.0	149.9	147.7	146.2	144.2	139.4

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA = Not Available.

R = Revised.

For information about price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.